AMENDED IN ASSEMBLY MARCH 18, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1830

Introduced by Assembly Member Galgiani

February 11, 2010

An act to amend Section 334 of add Section 185036.1 to the Public Utilities Code, relating to electricity high-speed rail.

LEGISLATIVE COUNSEL'S DIGEST

AB 1830, as amended, Galgiani. Electrical restructuring. High-Speed Rail Authority.

Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes.

This bill would require the authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California.

The existing restructuring of the electrical industry within the Public Utilities Act declares that reliable electric service is of paramount importance to the safety, health, and comfort of the people of California and that the Legislature has an interest in ensuring that the transfer of responsibility for ensuring short- and long-term reliability for the operation of the transmission grid does not expose California citizens to undue economic risk.

This bill would make a technical nonsubstantive change to that declaration.

AB 1830 -2-

3

4

5

6 7

8

9

10

11 12

13

14

15 16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

Vote: majority. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 185036.1 is added to the Public Utilities 2 Code, to read:

185036.1. The authority shall make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California.

SECTION 1. Section 334 of the Public Utilities Code is amended to read:

334. The Legislature finds and declares that in order to ensure the success of electric industry restructuring, in the transition to a new market structure it is important to ensure a reliable supply of electricity. Reliable electric service is of paramount importance to the safety, health, and comfort of the citizens of California. Transmission connections between electric utilities allow them to share generation resources and reduce the number of powerplants necessary to maintain a reliable system. The connections between utilities also create exposure to events that can cause widespread and extended transmission and service outages that reach far beyond the originating utility service area. California utilities and those in the western United States voluntarily adhere to reliability standards developed by the Western Electricity Coordinating Council. The economic cost of extended electricity outages, such as those that occurred in California and throughout the Western Electricity Coordinating Council on July 2, 1996, and August 10, 1996, to California's residential, commercial, agricultural, and industrial customers is significant. The proposed restructuring of the electricity industry would transfer responsibility for ensuring both short- and long-term reliability away from electric utilities and regulatory bodies to the Independent System Operator and various market-based mechanisms. The Legislature has an interest in ensuring that the change in the locus of responsibility for reliability does not expose California citizens to undue economic risk in connection with system reliability.